



**One Hundred First Legislature - First Session - 2009**  
**Introducer's Statement of Intent**  
**LB 365**

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**Chairperson:** Dave Pankonin  
**Committee:** Nebraska Retirement Systems  
**Date of Hearing:** February 18, 2009

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 365 provides two retirement plan enhancements for judges who retire after July 1, 2010. First, the legislation increases the retirement benefit for judges who serve fewer than 20 years on the bench. Currently, a judge's retirement benefit is computed at 3.5% of his or her final average compensation, multiplied by the number of years of service as a judge, up to 20 years of service for a maximum benefit of 70%. Since some judges are appointed later in their professional lives and do not serve 20 years before retiring, this change would give such a judge a higher retirement benefit if he or she retires before serving 20 years. The benefit would be computed by providing such a judge a 3.75% annual benefit for years 1 through 10 and a 3.25 % annual benefit for years 11 through 20. This proposed change will NOT increase the total benefit to a judge who serves 20 years or less on the bench.

The second change in LB 365 is to provide judges who serve more than 20 years an increased benefit of 1% per year for years 21 to 25, with a maximum additional benefit of 5%. Currently, a judge serving more than 20 years receives no increased benefit, other than the increase he or she could receive from earning a higher salary in years 21 to 25.

**Principal Introducer:** \_\_\_\_\_  
**Senator Dave Pankonin**